



U.S. Department of Justice
United States Attorney
Western District of New York

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PRESS RELEASE

October 15, 2004

RE: UNITED STATES v. DWAYNE PEYTON

United States Attorney Michael Battle announced today that Dwayne Peyton, age 30, of Holbrook Street, Lackawanna, New York, pled guilty before the Hon. John T. Elfvin, United States District Court Judge, to a one-count felony information charging him with mail fraud, in violation of Title 18, United States Code, Section 1341, carrying a maximum penalty of 5 years imprisonment, a fine of \$250,000.00, or both.

Assistant U.S. Attorney John E. Rogowski, who handled the case, stated that the defendant admitted that he arranged with owners of several cars to stage the theft of the owners' cars and cause significant damage to those cars, by means of staged "accidents" or intentional acts of vandalism, so that the owners could fraudulently collect money from their insurance companies. After the defendant had taken and damaged the vehicles, the owners filed claims with their insurance companies falsely stating that their cars had been stolen by a person or persons unknown. As a result of this insurance fraud scheme, a number of owners filed claims valued at \$64,280. Insurance companies paid approximately \$29,388 before the scheme was uncovered.

The plea is the result of an investigation on the part of the New York State Insurance Fraud Bureau, United States Postal Investigation Service, New York State Police, and Cheektowaga Police Department. According to the Director of the New York State Insurance Fraud Bureau, Charles Bardong, the investigation into this criminal activity is continuing.

Sentencing is scheduled for January 21, 2005, at 1 p.m. in front of Judge Elfvin.

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